

108TH CONGRESS
1ST SESSION

H. R. 3396

To direct the Secretary of Health and Human Services to establish a process under which a provider of services or other health care provider under the Medicare Program may petition the Secretary for an adjustment of the rate of payment made to that provider under the Medicare Program based on a significant inequity between the rate of payment applicable to that provider, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 29, 2003

Mr. KING of Iowa introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To direct the Secretary of Health and Human Services to establish a process under which a provider of services or other health care provider under the Medicare Program may petition the Secretary for an adjustment of the rate of payment made to that provider under the Medicare Program based on a significant inequity between the rate of payment applicable to that provider, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Medicare Inequity Ad-
3 justment Act”.

4 **SEC. 2. CORRECTION OF SIGNIFICANT MEDICARE PAY-**
5 **MENT INEQUITIES.**

6 (a) FINDINGS.—Congress finds that inequities exist
7 in medicare’s legacy reimbursement formulas and in the
8 evaluations of reports that promote and perpetuate dis-
9 parate compensation rates for similar services.

10 (b) ADJUSTMENT AUTHORITY.—

11 (1) IN GENERAL.—The Secretary of Health and
12 Human Services shall establish a process under
13 which a provider of services or other health care pro-
14 vider under the medicare program may petition the
15 Secretary for an adjustment of the rate of payment
16 made to that provider under the medicare program
17 based on a significant inequity between the rate of
18 payment applicable to that provider and the rate of
19 payment applicable to similar providers located in
20 adjoining areas. Under such process the provider
21 shall have the right to compile records and present
22 to the Secretary empirical evidence of such inequi-
23 ties. The Secretary shall make a determination on
24 such a petition and notify the provider of such deter-
25 mination.

1 (2) ADJUSTMENT.—Based upon a petition
2 under paragraph (1), the Secretary, notwithstanding
3 any other provision of law, shall provide for such ad-
4 justment of payment rate as is necessary to correct
5 significant inequities.

6 (3) TAKING QUALITY INTO ACCOUNT.—In pro-
7 viding an adjustment under paragraph (2), the Sec-
8 retary shall take into account and provide for a
9 higher payment adjustment, insofar as reliable data
10 are available, a provider that is a high quality, cost-
11 effective provider.

12 (4) JUDICIAL REVIEW.—Notwithstanding any
13 other provision of law, if a provider is dissatisfied
14 with a determination under paragraph (1), or the
15 amount of any adjustment effected under paragraph
16 (2), the provider shall have the right to a review of
17 such determination in an action before an appro-
18 priate district court of the United States and the
19 court shall hear such action de novo and shall not
20 give deference to any findings of fact or conclusions
21 of law of the Secretary.

22 (5) NO BUDGET NEUTRALITY OR OTHER AD-
23 JUSTMENT FOR OTHER PROVIDERS.—Nothing in
24 this section shall be construed as authorizing the
25 Secretary to reduce medicare payment rates to any

- 1 providers as a result of a payment adjustment made
- 2 to other providers under this section.

